

NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A) or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

ENDANGERED SPECIES ACT
SECTION 7 CONSULTATION STIPULATION

The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modifications of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the Endangered Species Act, 16 USC § 1531 *et seq.*, as amended, including completion of any required procedure for conference or consultation.

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ARCHAEOLOGICAL STIPULATION

Lands fall within the Tonopah RMP and the Stormy-Abel Archaeological Complex of the Archaeological Predictive Model, Management Plan and Treatment Plans for Northern Railroad Valley, Nevada. Operations must follow all applicable management prescriptions and laws. NEPA analysis, cultural resource mitigation and Native American consultation will delay timeliness of permit approvals.

Description of Lands

PARCEL NV-09-09-027

ALL LANDS

ARCH ZONE 1

ARCHAEOLOGICAL STIPULATION

Lands fall within the Tonopah RMP and the Archaeological Predictive Model, Management Plan and Treatment Plans for Northern Railroad Valley, Nevada. Operations must follow all applicable management prescriptions and laws. NEPA analysis, potential cultural resource mitigation and Native American consultation may delay timeliness of permit approvals.

Description of Lands

PARCEL NV-09-09-027

ALL LANDS

PARCEL NV-09-09-036

T. 9 N., R. 56 E., MDM, NV
sec. 10, SENE, W2E2;
sec. 15, E2E2, NWNE;
sec. 28, E2SW.

ARCHAEOLOGICAL STIPULATION

Lands fall within the Tonopah RMP and the Archaeological Predictive Model, Management Plan and Treatment Plans for Northern Railroad Valley, Nevada. Operations must follow all applicable management prescriptions and laws. NEPA analysis, potential cultural resource mitigation and Native American consultation may delay timeliness of permit approvals.

Description of Lands

PARCEL NV-09-09-027	ALL LANDS
PARCEL NV-09-09-033	ALL LANDS
PARCEL NV-09-09-036	T. 9 N., R. 56 E., MDM, NV sec. 03, Lots 1-4,S2N2,S2; sec. 10, SENE,W2E2,W2; sec. 18, SENW,NESE; sec. 30, S2NE.

ARCH ZONE 3

STIPULATION
CULTURAL, NATIVE AMERICAN RELIGIOUS CONCERNS,
AND PALEONTOLOGICAL RESOURCES
FOR SPECIFIC PARCELS WITHIN LEASE SALE AREAS

The following No Surface Occupancy Stipulation will be applied to the parcels listed below.

No Surface Occupancy Stipulation – Surface occupancy will not be allowed within S1 Cultural Sites (listed or eligible).

Description of Lands

PARCEL NV-09-09-014

T. 30 N., R. 35 E., MDM, NV
sec. 13, All.

CULTURAL RESOURCES

No Surface Occupancy: Surface occupancy will not be allowed within the setting of National Register eligible or listed sites where integrity of setting is critical to their eligibility.

Controlled Or Limited Surface Use: (avoidance and/or mitigation measures to be developed). All surface disturbing activities proposed after issuance of the lease are subject to compliance with Section 106 of the National Historic Protection Act (NHPA) and it's implementation through the protocol between the BLM Nevada State Director and the Nevada State Historic Preservation Officer.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

NATIVE AMERICAN RELIGIOUS CONCERNS

No Surface Occupancy: Surface occupancy will not be allowed within the setting of National Register eligible or listed Traditional Cultural Properties (TCPs) where integrity of the setting is critical to their eligibility.

Controlled or Limited Surface Use (avoidance and/or mitigation measures to be developed): For development and production phases, surface occupancy may be limited to a specific distance or precluded at hot springs, sacred sites, or TCPs pending conclusion of the Native American consultation process. All development activities proposed under the authority of this lease are subject to the requirement for Native American consultation prior to BLM authorizing the activity. Depending on the nature of the lease developments proposed and the resources potentially affected, Native American consultation and mitigation measures to avoid significant impacts could significantly extend time frames for processing authorizations for development activities and change the ways in which developments are implemented.

Native Americans shall be allowed to access to sacred sites and Traditional Cultural Properties on and through oil and gas leases. Access to Native American sacred sites and Traditional Cultural Properties shall not be precluded by oil and gas exploration and development activities. Should previously unidentified human remains or funerary objects be discovered during surface disturbing activities, all surface disturbing activities in the immediate vicinity of the discovery shall cease and BLM shall be notified. Surface disturbing activities shall not be reinitiated in the immediate vicinity of the discovery until authorized by the BLM.

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

As surface disturbing activities occur, the BLM will require that the operator monitor the water temperature and outflow of water from local hot springs and existing wells. This may require the operator to make a good faith effort to obtain access across private property. If the temperature and outflow of the water from the spring or well are impacted, the BLM will require the operator to take corrective actions. Failure of the operator to take the corrective measures as directed could result in BLM's terminating the operation

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

NSO-020-4

STIPULATION
WETLANDS AND RIPARIAN AREAS

The following parcels have been identified to contain riparian habitat. The following No Surface Occupancy stipulation would be applied to these parcels as described:

Stipulation: Surface occupancy shall not be allowed within 650 feet (horizontal measurement) of any surface water bodies, riparian areas, wetlands, playas or 100-year floodplains to protect the integrity of these resources (as indicated by the presence of riparian vegetation and not actual water). Exceptions to this restriction may be considered on a case-by-case basis if the BLM in an area where current development has shown no adverse impacts, 2) suitable off-site mitigation will be provided if habitat loss is expected, or 3) BLM determines development proposed under any plan of operations ensures adequate protection of the resources. This buffer may be greater as determined by the WFO, in order to sufficiently protect riparian areas against adverse impacts such as increased sedimentation, impacts to water quality and quantity and loss of riparian vegetation.

Description of Lands

PARCEL NV 09-09-009

T. 29 N., R. 35 E., MDM, NV
sec. 04, Lots 1,2, S2NE,S2.

PARCEL NV 09-09-011

T. 29 N., R. 35 E., MDM, NV
sec. 30, Lots 1-4, E2,E2W2;
sec. 31, Lots 1-3, E2,E2NW,NESW;
sec. 32, ALL.

RIPARIAN AREAS

No surface occupancy with 500 feet (horizontal measurement) of any surface water bodies, riparian areas, wetlands, playas or 100-year floodplains to protect the integrity of these resources (as delineated by the presence of riparian vegetation and not actual water). Exceptions to this restriction may be considered on a case-by-case basis if the BLM determines at least one of the following conditions apply: 1) additional development is proposed in an area where current development has shown no adverse impacts, 2) suitable off-site mitigation will be provided if habitat loss is expected, or 3) BLM determines development proposed under any plan of operations insures adequate protection of the resources.

Description of Lands

PARCEL NV-09-09-001

THRU

PARCEL NV-09-09-007

ALL LANDS

NATIVE AMERICAN CONSULTATION

All development activities proposed under the authority of this lease are subject to the requirement for Native American consultation prior to BLM authorizing the activity. Depending on the nature of the lease developments being proposed and the resources of the concerns to tribes potentially affected, Native American consultation and resulting mitigation measures to avoid significant impacts may extend time frames for processing authorizations for development activities, as well as, change in the ways in which developments are implemented.

Description of Lands

PARCEL NV-09-09-001

THRU

PARCEL NV-09-09-007

ALL LANDS

STIPULATION
GENERAL OCCUPNACY

Surface occupancy may be restricted for specific periods by the land management agency's authorized officer for reasons including, but not limited to (a) extended periods of high soil moisture of runoff when unusual road damage or land surface rutting can occur, and (b) when occupancy would have significant effect upon sage grouse mating and brood-rearing, eagle or falcon nesting, and crucial deer wintering areas.

Description of Lands

PARCEL NV-09-09-023	ALL LANDS
PARCEL NV-09-09-024	ALL LANDS
PARCEL NV-09-09-025	ALL LANDS

SAGE GROUSE

No surface use is allowed during the following time period(s). Surface use is prohibited from March 1- August 1 within 2.0 miles (line of site) of sage grouse strutting or nesting areas described below or on newly identified strutting or nesting areas.

Description of Lands

PARCEL NV-09-09-023	ALL LANDS
PARCEL NV-09-09-024	ALL LANDS
PARCEL NV-09-09-025	ALL LANDS

WILDLIFE

The Shoshone-Eureka Land Use Plan provides for time of day and or time of year restrictions on exploration and or development that are in the immediate vicinity or would cross crucial sage grouse, deer and pronghorn antelope winter habitats, antelope kidding areas, or raptor nesting areas.

Description of Lands

PARCEL NV-09-09-023	ALL LANDS
PARCEL NV-09-09-024	ALL LANDS
PARCEL NV-09-09-025	ALL LANDS

MIGRATORY BIRDS

Operators should be aware that any ground clearing or other disturbance (such as the creation of cross-country access to sites, drilling, and or construction) during the migratory bird nesting season (roughly, March 1 through July 31) risks a violation of the Migratory Bird Treaty Act. The Act prohibits destroying eggs or young of common shrub-nesting birds such as the sage thrasher, sage sparrow, Brewer's sparrow, homed lark, and meadowlark. Almost every migratory bird, with the Mount Lewis Field Office DOI-BLM-NV-BO 10-2009-0 1 18 DNA Attachment B Page 1 of 3 Attachment B Stipulations for Oil and Gas Parcels exception of a few species such as the English sparrow and European starling, is covered by this law.

Description of Lands

PARCEL NV-09-09-023	ALL LANDS
PARCEL NV-09-09-024	ALL LANDS
PARCEL NV-09-09-025	ALL LANDS

STIPULATIONS

Water, Riparian and Wetlands The district contains live waters that are critical to the survival of various wildlife species. Therefore, prior to entry onto lands containing live waters, the lessee (operator) will discuss the proposed activities jointly with the area oil and gas supervisor and the district manager who may require additional measures for the protection of the water and its environment. Such measures may include: No use of the water No surface occupancy on some or all of the adjacent lands within **1/4** mile of the water. Limitations on the type of equipment that may be used Restrictions of activities during certain times of the year. All drilling sites within 1/2 mile of live or ephemeral waters must have impermeable reservoirs capable of retaining wastes and spoils. Drill sites will be of sufficient distance from cold water springs to reduce the chance of flow interference. Federally owned or controlled springs and water development may be used only with the prior written approval of the authorized officer.

Description of Lands

PARCEL NV-09-09-023	ALL LANDS
PARCEL NV-09-09-024	ALL LANDS
PARCEL NV-09-09-025	ALL LANDS

STIPULATIONS

Cultural Resources Any proposed activities to be conducted under a lease should be evaluated on a case by case basis for compliance with Section 106 of the National Historic Preservation Act. Prior to any project implementation or ground disturbing activities, including exploration plans, adequate inventory, evaluation and mitigation (if necessary) of cultural resources must occur pursuant to Section 106 of the National Historic Preservation Act and as articulated in the Nevada State Protocol Agreement. Furthermore, the Native American Graves Protection and Repatriation Act (NAGPRA: 43 CFR 101), protects items of cultural patrimony, Native American funerary items, Native American remains and sacred objects. In addition, the Archaeological Resources Protection Act (ARPA: 43 **CFR** 7.4,7.14,7.15,7.16) provides for civil and/or criminal penalties for the disturbance of archaeological resources on federal lands. If cultural resources, Native American skeletal remains, funerary items, sacred items, or objects of cultural patrimony, are discovered during any phase of project implementation, all operations must cease in the vicinity of the discovery and adequate protection must be provided to the discovery. The BLM must be notified immediately, by telephone, with written confirmation to follow (43 CFR 10.4 (c), (d), (g); Nevada State Protocol Agreement VIII (b)). Notification should be made to Doug Furtado, Field Manager, Mt. Lewis Field Office, 50 Bastian Road, Battle Mountain, NV, 89820, (775-635-4000). No activity in the vicinity of the discovery should resume until the operator has been issued a Notice to Proceed by the Authorized Officer. Mount Lewis Field Office DOI-BLM-NV-BO10-2009-0118 DNA Attachment B Page 2 of 3 Attachment B Stipulations for Oil and Gas Parcels.

Description of Lands

PARCEL NV-09-09-023	ALL LANDS
PARCEL NV-09-09-024	ALL LANDS
PARCEL NV-09-09-025	ALL LANDS

RAPTORS

Power lines and other electrical facilities will be constructed to minimize the electrocution hazard to eagles and other large raptors. Their designs will require a prior approval of the authorized officer of the land management agency.

Description of Lands

PARCEL NV-09-09-023	ALL LANDS
PARCEL NV-09-09-024	ALL LANDS
PARCEL NV-09-09-025	ALL LANDS

NATIVE AMERICAN CONSULTATION

In accordance with the National Historic Preservation Act (P.L. 89-665), the National Environmental Policy Act (P.L. 91-190), the Federal Land Policy and Management Act (P.L. 94-579), the American Indian Religious Freedom Act (P.L. 95-341), the Native American Graves Protection and Repatriation Act (P.L. 101-601) and Executive Order 13007, the BLM must also provide affected tribes an opportunity to comment and consult on the proposed project. BLM must attempt to limit, reduce, or possibly eliminate any negative impacts to Native American **traditional/cultural/spiritual** sites, activities, and resources. BLM reserves the right to deny or alter proposed activities associated with any surface occupancy that results from Oil, Gas, and Geothermal leasing. Maintaining physical and spiritual integrity of certain locations within the Mount Lewis Field Office administrative boundary is detrimental to present and future **cultural/spiritual/traditional** activities. In accordance with Federal legislation and executive orders, Federal agencies must consider the impacts their actions may have to Native American traditions and religious practices. Consequently, the BLM must take steps to identify locations having traditional/cultural or religious values to Native Americans and insure that its actions do not unduly or unnecessarily burden the pursuit of traditional religion or traditional lifeways.

Description of Lands

PARCEL NV-09-09-023	ALL LANDS
PARCEL NV-09-09-024	ALL LANDS
PARCEL NV-09-09-025	ALL LANDS

THREATENED, ENDANGERED, AND SPECIAL STATUS SPECIES

The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it complete its obligations under applicable requirements of the Endangered Species Act as amended, 16 U.S.C. &1531 et seq., including completion of any required procedure for conference or consultation.

Authority: BLM Washington Office Instruction Memorandum 2002-174; Endangered Species Act

	<u>Description of Lands</u>
PARCEL NV-09-09-026	ALL LANDS
PARCEL NV-09-09-028 THRU PARCEL NV-09-09-032	ALL LANDS
PARCEL NV-09-09-034 THRU PARCEL NV-09-09-035	ALL LANDS
PARCEL NV-09-09-037 THRU PARCEL NV-09-09-085	ALL LANDS

RAPTOR NESTING SITES

This lease may contain lands with active raptor nesting sites. These lands are subject to seasonal protection from disturbance to avoid displacement and mortality of raptor young.. Restrictions apply up to a 0.5 mile radius around the active nesting sites of the following species during the period described. The entire Elko District may provide suitable nesting for one or more of the species listed below.

- a) Golden Eagles and Great Horned Owls during the period 1/1-6/30, inclusive.
- b) Long-eared Owls during the period 2/1-5/15, inclusive.
- c) Prairie Falcons during the period 3/1-6/30, inclusive.
- d) Ferruginous Hawks, Northern Harriers, and Barn Owls during the period 3/1-7/31, inclusive.
- e) Goshawk and Sharp-shinned Hawks during the period 3/15-7/15, inclusive.
- f) Cooper's Hawks, Kestrels, and Burrowing Owls during the period 4/1-6/30, inclusive.
- g) Red-tailed and Swainson's Hawk during the period 4/1-7/15, inclusive.
- h) Short-eared Owls during the period 2/1-6/15, inclusive.

Authority/Supporting Documentation: Wells RMP ROD (p. 25); Elko RMP ROD (p. 25), Birds of the Great Basin, 1985; State Director Decision: Horse Canyon Decision, 2005;

Description of Lands

PARCEL NV-09-09-026	ALL LANDS
PARCEL NV-09-09-028 THRU PARCEL NV-09-09-032	ALL LANDS
PARCEL NV-09-09-034 THRU PARCEL NV-09-09-035	ALL LANDS
PARCEL NV-09-09-037 THRU PARCEL NV-09-09-085	ALL LANDS

CULTURAL RESOURCES

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

Authority: BLM Washington Office Instruction Memorandum 2005-03

Description of Lands

PARCEL NV-09-09-026	ALL LANDS
PARCEL NV-09-09-028 THRU PARCEL NV-09-09-032	ALL LANDS
PARCEL NV-09-09-034 THRU PARCEL NV-09-09-035	ALL LANDS
PARCEL NV-09-09-037 THRU PARCEL NV-09-09-085	ALL LANDS

MULE DEER CRUCIAL WINTER RANGE

This lease contains lands which have been identified as mule deer crucial winter range (BLM EA 2005/030, September 2005). These lands are subject to seasonal protection from disturbance to avoid displacement and mortality to animals during the winter. A map of mule deer crucial winter range can be found in BLM EA 2005-030.

- a) Seasonal restrictions from disturbance in mule deer crucial winter ranges apply during the period 11/15-3/16, inclusive.

Authority/Supporting Documentation: Wells RMP ROD (p. 10); Elko RMP ROD (pg. 3); Field Guide to Mammals (1976)

Description of Lands

PARCEL NV-09-09-084

THRU

PARCEL NV-09-09-085

ALL LANDS

PRONGHORN ANTELOPE CRUCIAL WINTER RANGE

This lease contains lands which have been identified as pronghorn antelope crucial winter range (BLM EA 2005/030, September 2005). These lands are subject to seasonal protection from disturbance to avoid displacement and mortality to animals during the winter. A map of pronghorn antelope crucial winter range can be found in BLM EA 2005/030.

- a) Seasonal restrictions from disturbance in pronghorn antelope crucial winter ranges apply during the period 11/15-3/16, inclusive.

Authority/Supporting Documentation: Wells RMP ROD (p. 25); Elko RMP ROD (p. 3); Field Guide to Mammals (1976)

Description of Lands

PARCEL NV-09-09-044	
THRU	
PARCEL NV-09-09-047	ALL LANDS
PARCEL NV-09-09-071	ALL LANDS
PARCEL NV-09-09-073	ALL LANDS
PARCEL NV-09-09-074	ALL LANDS

SAGE GROUSE STRUTTING GROUND (LEKS)

This lease contains lands which have been identified as sage grouse strutting grounds (leks) that are subject to seasonal protection from disturbance. A map of known sage grouse leks as of May 2005 can be found in BLM EA 2005/030. Additional leks may be identified in the future.

- a) No Surface Occupancy is permitted within 0.5 miles, or other, lesser, appropriate distance based on site-specific conditions, of sage grouse leks.

Authority/Supporting Documentation: Wells RMP ROD (p. 10); Elko RMP ROD (p. 35); Management Guidelines for Sage Grouse and Sagebrush Ecosystems in Nevada, 2000; State Director Decision: Horse Canyon Decision, 2005

	<u>Description of Lands</u>
PARCEL NV-09-09-039	ALL LANDS
PARCEL NV-09-09-040	ALL LANDS
PARCEL NV-09-09-048	ALL LANDS
PARCEL NV-09-09-051 THRU	
PARCEL NV-09-09-052	ALL LANDS
PARCEL NV-09-09-056	ALL LANDS
PARCEL NV-09-09-061	ALL LANDS
PARCEL NV-09-09-065 THRU	
PARCEL NV-09-09-066	ALL LANDS
PARCEL NV-09-09-070 THRU	
PARCEL NV-09-09-071	ALL LANDS
PARCEL NV-09-09-073 THRU	
PARCEL NV-09-09-075	ALL LANDS

SAGE GROUSE B BROOD REARING AREAS

This lease contains lands which have been identified as sage grouse brood rearing areas that are subject to seasonal protection from disturbance.

- a) Seasonal restrictions from disturbance in sage grouse brood rearing areas apply within 0.5 miles or other appropriate distance based on site-specific conditions from 5/15 to 8/15, inclusive. This restriction does not apply to operating facilities.

Authority/Supporting Documentation: Wells RMP ROD (p. 25); Elko RMP ROD (p. 3 and 36)
Management Guidelines for Sage Grouse and Sagebrush Ecosystems in Nevada, 2000, State
Director Decision: Horse Canyon Decision, 2005

	<u>Description of Lands</u>
PARCEL NV-09-09-026	ALL LANDS
PARCEL NV-09-09-028 THRU PARCEL NV-09-09-032	ALL LANDS
PARCEL NV-09-09-034 THRU PARCEL NV-09-09-035	ALL LANDS
PARCEL NV-09-09-037 THRU PARCEL NV-09-09-051	ALL LANDS
PARCEL NV-09-09-053 THRU PARCEL NV-09-09-059	ALL LANDS
PARCEL NV-09-09-061	ALL LANDS
PARCEL NV-09-09-063 THRU PARCEL NV-09-09-071	ALL LANDS
PARCEL NV-09-09-074 THRU PARCEL NV-09-09-080	ALL LANDS

SAGE GROUSE CRUIAL WINTER HABITAT

This lease contains lands which have been identified as sage grouse crucial winter habitat that are subject to seasonal protection from disturbance. This stipulation does not apply to operating facilities.

- a) Seasonal restrictions from disturbance in sage grouse crucial winter habitat apply during the period November 1 to March 15.

Authority/Supporting Documentation: Wells RMP ROD (p. 22 and 25); Elko RMP ROD; Management Guidelines for Sage Grouse and Sagebrush Ecosystems in Nevada, 2000;

Description of Lands

PARCEL NV-09-09-028 THRU PARCEL NV-09-09-032	ALL LANDS
PARCEL NV-09-09-034 THRU PARCEL NV-09-09-035	ALL LANDS
PARCEL NV-09-09-037 THRU PARCEL NV-09-09-039	ALL LANDS
PARCEL NV-09-09-063 THRU PARCEL NV-09-09-064	ALL LANDS
PARCEL NV-09-09-066	ALL LANDS
PARCEL NV-09-09-068 THRU PARCEL NV-09-09-070	ALL LANDS
PARCEL NV-09-09-075 THRU PARCEL NV-09-09-077	ALL LANDS
PARCEL NV-09-09-079	ALL LANDS
PARCEL NV-09-09-082 THRU PARCEL NV-09-09-085	ALL LANDS

OG-010-05-09

I-80 “LOW VISIBILITY CORRIDOR”

This parcel includes lands within the I-80 Visual Corridor. Visual impacts are to be minimized within 1.5 miles on either side of Interstate 80. Within this three-mile wide Low Visibility Corridor, the objective is for management actions not to be evident in the characteristic landscape. Management objectives for Class II VRM areas will be used as a guideline when evaluating projects within the Low Visibility Corridor. The Class II VRM objective is to retain the existing character of the landscape. The level of change to the characteristic landscape should be low. Management activities may be seen but should not attract the attention of the casual observer. Any changes must repeat the basic elements of form, line, color, and texture found in the predominant natural features of the characteristic landscape.

Authority: Wells RMP ROD (p. 3); Elko RMP ROD (p. 1); Elko Field Office IM NV-2004-013)

Description of Lands

PARCEL NV-09-09-029

THRU

PARCEL NV-09-09-030

ALL LANDS

PARCEL NV-09-09-072

ALL LANDS

CONTINGENCY RIGHTS STIPULATION

The Bureau of Land Management has reviewed existing information and planning documents and, except as noted in other attached stipulations, knows of no reason why normal development—subject to the controls of applicable laws and regulations and the lease terms and conditions—cannot proceed on the leased lands. However, specific development activities could not be identified prior to lease issuance since the nature and extent of oil and gas resources were not known and specific operations have not been proposed. The lessee is hereby made aware that all post lease operations will be subject to appropriate environmental review and may be limited or denied by no surface occupancy stipulations.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

HAZARDOUS MATERIALS/WASTE AND SOLID WASTE

Prior to exploration and development, an emergency response plan will be developed to include contingencies for hazardous material spills.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

INVASIVE, NON-NATIVE NOXIOUS PLANT SPECIES

During all phases of exploration and development, the lessee shall maintain a noxious weed control program consisting of monitoring and eradication for species listed on the Nevada Designated Noxious Weed List (NRS 555.010).

Areas to be developed will be inventoried for the presence of invasive noxious species before disturbance. During close out operations, sites shall be inventoried for the presence of these noxious weed species and treated if noxious weeds are present.

The BLM will develop and the operator will implement a noxious weed treatment program from the time operation commences until the site is abandoned. Seed and mulch used to reclaim disturbed areas shall be free of invasive noxious weed species

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

LANDS & REALTY

The operator shall coordinate its lease activities with the existing rights-of-way holders in the lease area to avoid the potential for adverse effects on, and minimize the inconvenience to, these rights holders' authorized operations.

No drilling, including exploration or development activities, will be allowed within a linear R/W's authorized footprint.

Oil and gas lessees and operators shall not prevent public access across leased lands.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

MIGRATORY BIRDS

Surface disturbing activities during the migratory bird nesting season (March to July) may be restricted in order to avoid potential violation of the Migratory Bird Act. Appropriate inventories of migratory birds shall be conducted during analysis of actual site development. If active nests are located, or if other evidence of nesting is observed (mating pairs, territorial defense, carrying of nesting material, transporting of food), the proponent shall coordinate with BLM to establish appropriate protection measures for the nesting sites. Protection measures may include avoidance or restricting or excluding development in certain areas until nests and nesting birds will not be disturbed. After July 31, no further avian survey, will be conducted until the following year.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

PALEONTOLOGICAL RESOURCES

Where significant paleontological resources are identified, mitigating measures such as data recovery, restrictions on development, and deletion of some areas from development may be required on a case by case basis.

Description of Lands

PARCEL NV-09-09-008	
THRU	
PARCEL NV-09-09-022	ALL LANDS

SOILS

Surface disturbance will be prohibited in areas where slopes are in excess of 25 percent.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

THREATENED, ENDANGERED OR SPECIAL STATUS SPECIES

No surface occupancy: No surface occupancy within 1 mile of occupied or identified potential Lahontan Cutthroat Trout (LCT) habitat.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

STIPULATION

Controlled Or Limited Surface Use: (avoidance and/or mitigation measures to be developed)

The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modifications of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the Endangered Species Act, 16 U.S.C. 1531, as amended, including completion of any required procedure for conference or consultation.

Exploratory endeavors on the public lands will require a Special Status Species review, and may require a field survey for the presence of Special Status Species. Potential impacts to Special Status Species will be analyzed on a case-by-case basis. Mitigation measures will be developed on an individual project basis depending upon the results of the survey.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

STIPULATION

General Sage Grouse Stipulations: Prior to entry on any lease areas which include known or potential habitat, the lessee (operator) shall contact the appropriate BLM Field Office to discuss any proposed activities.

Description of Lands

PARCEL NV-09-09-008
THRU
PARCEL NV-09-09-022

ALL LANDS

STIPULATION

Pygmy Rabbit: Surface disturbing activities in pygmy rabbit habitat may be restricted in order to avoid impacts to pygmy rabbits. Appropriate inventories of suitable pygmy rabbit habitat shall be conducted during analysis of actual site development. If pygmy rabbits or their sign are located, the proponent shall coordinate with BLM to establish appropriate protection measures which may include avoidance or restricting or excluding development.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

STIPULATION

Other Biota: Prior to site development, a survey for invertebrates will be conducted on areas where geothermal surface expressions occur.

Description of Lands

PARCEL NV-09-09-008
THRU
PARCEL NV-09-09-022

ALL LANDS

VEGETATION

All areas of exploration and or development disturbance will be reclaimed including re-contouring disturbed areas to blend with the surrounding topography and using appropriate methods to seed with a diverse perennial seed mix. The seed mix used to reclaim disturbed areas will be “certified” weed free.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

WATER QUALITY (SURFACE AND GROUND)

As exploration and development activities commence, the operator shall institute a hydrologic monitoring program. The details of the monitoring programs will be site specific and the intensity shall be commensurate with the level of exploration. For example, if the proponent will be conducting seismic studies the monitoring will be limited to the identification of water resources to be monitored as activities continue; if a drilling program were to be undertaken the number of aquifers encountered, their properties, their quality, and their saturated thickness will be documented. The information collected will be submitted to the Bureau of Land Management and will be used to support future NEPA documentation as development progresses. Adverse impacts to surface expressions of the geothermal reservoir (hot springs), and Threatened and Endangered Species habitat are not acceptable. The lessee will monitor the quality, quantity, and temperature of any hot or cold springs or other water resource within the project area whenever they are conducting activities which have the potential to impact those resources. This may require the operator to make a good faith effort to obtain access across private property. If adverse impacts do occur, BLM will require the lessee to take corrective action to mitigate the impact. Corrective action may include shutting down the operation. These are in addition to the other stipulations. The information gathered under the monitoring stipulation will be used to identify future impacts at the operational stage.

Description of Lands

PARCEL NV-09-09-008

THRU

PARCEL NV-09-09-022

ALL LANDS

WILD HORSES AND BURROS

Controlled or Limited Surface Use: (avoidance and/or mitigation measures to be developed.)
If wild horse or burro populations are located on sites proposed for development, it may be necessary to avoid or develop mitigation measures to reduce adverse impacts to horses. These measures may include providing alternative water sources for horses of equal quality and quantity. In the Stillwater HMA any alternate water source shall be placed one mile away from oil and gas operations.

Description of Lands

PARCEL NV-09-09-008
THRU
PARCEL NV-09-09-022

ALL LANDS

STIPULATION

WILDLIFE, THREATENED, ENDANGERED AND SPECIAL STATUS SPECIES WETLANDS AND RIPARIAN ZONES

Sage grouse: The following stipulations apply to protect sage grouse and their habitat. Known habitat is defined as those areas within a designated Populations Management Unit (PMU).

Known Breeding habitat and Leks: March through May, but may vary on site specific basis. Avoid all activity within 3.3 km. (2 miles) of know leks during the mating season – March through May, or as determined by Field Office and Wildlife Personnel. No surface occupancy with 3.3 km (2 miles) of know leks at all times.

Nesting Habitat and Brood-rearing habitats: (April through August per Interim NV Guidelines) and Winter Habitats: (October through March).

Known Habitat: Avoid all development or exploration activities within 3.3 km (2 miles) or other appropriate distance based on site-specific conditions, or leks, or within 1 km (0.6 mi.) of know nesting, brood-rearing and winter habitat.

General Sage Grouse Stipulations: Prior to entry on any lease areas which include known or potential habitat, the lessee (operator) shall contact the appropriate BLM Field Office to discuss any proposed activities.

- 1) The following parcels are located within 1 km (0.6 miles) of nesting and brood-rearing habitat. The following stipulation will be applied to the parcels.

Stipulation: Avoid all development or exploration activities within 1 km (0.6 mi.) of known nesting, brood-rearing habitat.

Description of Lands

PARCEL NV-09-09-010

T. 29 N., R. 35 E., MDM, NV
sec. 18, Lots 1-4, E2,E2W2.

PARCEL NV-09-09-011

T. 29 N., R. 35 E., MDM, NV
sec. 30, Lots 1-4, E2,E2W2;
sec. 31, Lots 1-3, E2,E2NW,NESW;
sec. 32, ALL.

PARCEL NV-09-09-020

T. 30 N., R 36 E., MDM, NV
sec. 06, Lots 1-7, S2NE,SENE,E2SW,SE;
sec. 08, ALL.

PARCEL NV -09-09-021

T. 30 N., R 36 E., MDM, NV
sec. 16, ALL;
sec. 22, ALL.

OG-020-21

STIPULATION

WILDLIFE, THREATENED, ENDANGERED AND SPECIAL STATUS SPECIES WETLANDS AND RIPARIAN ZONES

Sage grouse: The following stipulations apply to protect sage grouse and their habitat. Known habitat is defined as those areas within a designated Populations Management Unit (PMU).

Known Breeding habitat and Leks: March through May, but may vary on site specific basis. Avoid all activity within 3.3 km. (2 miles) of know leks during the mating season – March through May, or as determined by Field Office and Wildlife Personnel. No surface occupancy with 3.3 km (2 miles) of know leks at all times.

Nesting Habitat and Brood-rearing habitats: (April through August per Interim NV Guidelines) and Winter Habitats: (October through March).

Known Habitat: Avoid all development or exploration activities within 3.3 km (2 miles) or other appropriate distance based on site-specific conditions, or leks, or within 1 km (0.6 mi.) of know nesting, brood-rearing and winter habitat.

General Sage Grouse Stipulations: Prior to entry on any lease areas which include known or potential habitat, the lessee (operator) shall contact the appropriate BLM Field Office to discuss any proposed activities.

- 2) The following parcels are located within 1 km (0.6 miles) of sage grouse winter habitat. The following stipulation will be applied to the parcels.
Stipulation: Avoid all development or exploration activities within 1 km. (0.6 mi.) of known winter habitat.

Description of Lands

PARCEL NV-09-09-010	T. 29 N., R. 35 E., MDM, NV sec. 18, Lots 1-4, E2,E2W2.
PARCEL NV-09-09-011	T. 29 N., R. 35 E., MDM, NV sec. 30, Lots 1-4, E2,E2W2; sec. 31, Lots 1-3, E2,E2NW,NESW; sec. 32, ALL.
PARCEL NV-09-09-020	T. 30 N., R 36 E., MDM, NV sec. 06, Lots 1-7, S2NE,SENE,E2SW,SE; sec. 08, ALL.
PARCEL NV -09-09-021	T. 30 N., R 36 E., MDM, NV sec. 16, ALL; sec. 22, ALL.

STIPULATION

WILDLIFE, THREATENED, ENDANGERED AND SPECIAL STATUS SPECIES WETLANDS AND RIPARIAN ZONES

Sage grouse: The following stipulations apply to protect sage grouse and their habitat. Known habitat is defined as those areas within a designated Populations Management Unit (PMU).

Known Breeding habitat and Leks: March through May, but may vary on site specific basis. Avoid all activity within 3.3 km. (2 miles) of know leks during the mating season – March through May, or as determined by Field Office and Wildlife Personnel. No surface occupancy with 3.3 km (2 miles) of know leks at all times.

Nesting Habitat and Brood-rearing habitats: (April through August per Interim NV Guidelines) and Winter Habitats: (October through March).

Known Habitat: Avoid all development or exploration activities within 3.3 km (2 miles) or other appropriate distance based on site-specific conditions, or leks, or within 1 km (0.6 mi.) of know nesting, brood-rearing and winter habitat.

General Sage Grouse Stipulations: Prior to entry on any lease areas which include known or potential habitat, the lessee (operator) shall contact the appropriate BLM Field Office to discuss any proposed activities.

- 3) The following parcels are located within mule deer crucial winter range, mule deer winter range and pronghorn antelope corridors (migration routes). The following stipulation applies to all the parcels.

Controlled or Limited Surface Use: (avoidance and/or required mitigation measures to be developed)-Are applicable for all leases proposed in mule deer, antelope, and big horn sheep winter habitats, critical fawning and kidding areas and critical migration routes.

Description of Lands

PARCEL NV-09-09-010	T. 29 N., R. 35 E., MDM, NV sec. 18, Lots 1-4, E2,E2W2.
PARCEL NV-09-09-011	T. 29 N., R. 35 E., MDM, NV sec. 30, Lots 1-4, E2,E2W2; sec. 31, Lots 1-3, E2,E2NW,NESW; sec. 32, ALL.
PARCEL NV-09-09-020	T. 30 N., R 36 E., MDM, NV sec. 06, Lots 1-7, S2NE,SENE,E2SW,SE; sec. 08, ALL.
PARCEL NV -09-09-021	T. 30 N., R 36 E., MDM, NV sec. 16, ALL; sec. 22, ALL.

MATERIAL SITE

The lessee accepts this lease subject to the right of the State of Nevada to remove road building material from the land embraced in Material Site No. (see below) and agrees that its operations will not interfere with the material operations of the Department of Transportation.

Description of Lands

PARCEL NV-09-09-022
N 82713

T. 30 N., R. 36 E., MDM, Nevada
sec. 30, Lots 1-4, E2,E2W2 (within).

PARCEL NV-09-09-071
NEV 051235

T. 42 N., R., 64 E., MDM, Nevada
sec. 19, Lots 1-4, E2,E2W2 (within);
sec. 20, All (within).